

Honolulu, Hawaii

February 4, 2014

RE: H.B. No. 2047

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection and Commerce, to which
was referred H.B. No. 2047 entitled:

"A BILL FOR AN ACT RELATING TO PROCUREMENT,"

begs leave to report as follows:

Prohibits governmental procurement contracts for the services
of contractors, engineers, architects, surveyors, or landscape
architects, from requiring the contracting entity to defend the
governmental body against liability, except for claims arising out
of or resulting from the negligent, reckless, or wrongful acts,
errors, or omissions of the contracting entity.

The American Council of Engineering Companies of Hawaii;
American Institute of Architects; Shigemura, Lau, Sakanashi,
Higuchi and Associates, Inc.; Fukunaga & Associates, Inc.; The
Limtiaco Consulting Group; Kennedy/Jenks Consultants; Pacific
Geotechnical Engineers, Inc.; General Contractors Association of
Hawaii; Brown and Caldwell; Building Industry Association of
Hawaii; Gray, Hong, Nojima & Associates, Inc.; and Sam O. Hirata,
Inc. testified in support of this measure.

Your Committee has amended this measure by changing the
effective date to July, 1, 2112, to encourage further discussion.



Your Committee respectfully notes that the duty to defend clause contained in government contracts for the design and construction of public works has a direct impact on local contractors.. The clause can increase the costs of projects because of a lack of competition for public works contracts. Your Committee further notes that the amendments made to the measure do not bar claims arising out of or resulting from the negligent, reckless, or wrongful acts, errors, or omissions of the contracting entity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2047, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2047, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection and Commerce,



ANGUS L.K. MCKELVEY, Chair

HSCR 118-14

Bill/Resolution No.: HB 2047	Committee Referral: CPC JUD	Date: 01/29/19		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. KAWAKAMI, Derek S.K. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. CREAGAN, Richard	/			
7. EVANS, Cindy	/			
8. HAR, Sharon E.	/			
9. ITO, Ken	/			
10. LEE, Chris	/			
11. NAKASHIMA, Mark M.	/			
12. OSHIRO, Marcus R.	/			
13. TSUJI, Clift	/			
14. YAMANE, Ryan I.	/			
15. MCDERMOTT, Bob	/			
16. THIELEN, Cynthia				/
TOTAL (16)	15			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
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